

DRAFT



TOWN OF HIGHLAND BEACH TOWN FINANCIAL ADVISORY BOARD REGULAR MEETING MINUTES

Town Hall Commission Chambers
3614 South Ocean Boulevard
Highland Beach, Florida 33487

Date: June 24, 2025
Time: 11:00 AM

1. CALL TO ORDER

Chairperson Reame called the meeting to order at 11:02 A.M.

2. ROLL CALL

Board Member Margarita Chappellear
Board Member John Verdile
Board Member Edward Kornfeld
Vice Chairperson Richard Greenwald
Chairperson Ronald Reame
Town Clerk Lanelda Gaskins

ABSENT

Board Member Mark Zarrilli
Board Member Harold Siegel

ADDITIONAL STAFF

Finance Director David DiLena
Assistant Finance Director Suzie Matthews

3. PLEDGE OF ALLEGIANCE

The Board led the Pledge of Allegiance to the United States of America.

4. APPROVAL OF THE AGENDA

MOTION: Greenwald/Chappellear - A motion was made and seconded to approve the Agenda. The motion passed, 5 to 0.

5. PUBLIC COMMENT *(limited to three (3) minutes per speaker)*

There were no public comments.

6. APPROVAL OF MINUTES

A. February 24, 2025

Chairperson Reame asked if there were any additions or deletions to the minutes. Hearing none, he called for a motion.

MOTION: Chappellear/Greenwald - A motion was made and seconded to approve the minutes. The motion passed, 5 to 0.

7. UNFINISHED BUSINESS

None.

8. NEW BUSINESS

A. Preliminary Fiscal Year 2026 Operating Budget Presentation

Finance Director DiLena presented a comprehensive overview of the Preliminary Fiscal Year 2026 Operating Budget including the goal of maintaining the millage rate at 3.5875 mills; 2024/2025 accomplishments; 2025/2026 strategic projects initiatives; the tax rate; taxable assessed value; the general fund; the discretionary sales surtax fund; the Building Department fund; water and sewer funds; and the budget summary and timeline.

A lengthy discussion ensued regarding the Interlocal Agreement with the Town of Gulfstream, which was identified as the principal driver of the building fund's surplus position.

Board members discussed potential strategies for reducing the building fund's excess reserves more constructively than simply cutting rates. One member suggested that if expenditures qualifying under the building fund's statutory scope could be identified—such as technology improvements to streamline the permitting process, digital platforms, or enhanced resident and contractor interface tools—those investments might both spend down reserves and add genuine community value. Finance Director DiLena agreed and committed to engaging Building Official Jeff to explore what further qualifying expenditures might be available, including whether technology improvements could reduce permit turnaround times and improve service quality for smaller contractors and individual residents.

Another board member suggested a comprehensive energy efficiency upgrade project across all Town buildings, including HVAC systems with higher SEER ratings and water efficiency measures—funded through the building fund, as a means of responsibly deploying excess reserves on building-related capital improvements.

A board member requested that, in the future, a presentation be made regarding long-term capital financing policy—specifically, guidance on when it makes sense to seek

low-interest financing for long-lived assets versus paying out of reserves. Finance Director DiLena agreed to bring the matter to management and the commission.

There was a question about road disruption regarding the sewer lining project, and Mr. DiLena indicated the trenchless nature of the lining process is designed to minimize surface disturbance, with work proceeding between manholes on smaller side streets while the main A1A road work is ongoing.

A board member noted, with the apparent concurrence of the group, that no major concerns were raised at the Financial Advisory Board level with respect to the proposed FY 2026 budget. Finance Director DiLena was asked to convey this to the commission.

One board member requested a future presentation providing a detailed accounting of the marine patrol division's operating costs, including personnel, boat maintenance, and related capital expenses, to establish benchmarks for evaluating the program. The board member expressed personal support for the program but noted the value of having a formal cost carve-out for transparency.

Lastly, Finance Director DiLena described Highland Beach's financial condition favorably, noting that the Town may move up in the rankings of lowest millage rates among Florida coastal communities, potentially reaching first or second, given the service nature of its offerings.

B. Revenue and Expenditure Report through May 31, 2025

Finance Director DiLena presented the Revenue and Expenditure Report through May 31, 2025, covering eight months of the fiscal year (October through May). Key highlights were as follows:

Across all funds, revenues were approximately 19 percent above the straight-line budget benchmark through May, aided significantly by the front-loaded collection of property tax revenues in the November–January period. Miscellaneous revenues also continued to exceed budget projections. On the expenditure side, the Town was approximately 12 percent under the straight-line budget benchmark, reflecting normal expenditure timing patterns. He noted that the straight-line methodology does not perfectly reflect the Town's seasonal revenue pattern but serves as a useful reference point.

A breakdown by fund was provided, showing that approximately 46 percent of total expenditures are attributable to public safety, with capital outlay comprising approximately 14 percent. Inter-fund transfers between the various funds were also detailed, including the building funds transfer to the general fund and the water funds transfer to the sewer fund.

Finance Director DiLena concluded that the Town remains on track to contribute additional funds to reserves by fiscal year end, providing a stronger capital base heading into FY 2026.

9. BOARD MEMBERS REPORT

The board members had nothing to report.

10. ANNOUNCEMENTS

Chairperson Reame mentioned the following announcements:

July 04, 2025 **Town Hall Closed in observance of Independence Day**

July 08, 2025 1:00 P.M. Special Magistrate Hearing

July 10, 2025 9:30 A.M. Planning Board Regular Meeting

July 15, 2025 1:30 P.M. Town Commission Meeting

11. ADJOURNMENT

The meeting adjourned at 12:41 P.M.

APPROVED on March 4, 2026, Financial Advisory Board Regular Meeting.

Ronald Reame, Chairperson

ATTEST:

Lanelda Gaskins, MMC
Town Clerk

Date